

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES  
10:00 A.M. – April 20, 2022  
JO ANN DAVIDSON HEARING ROOM  
100 E. BROAD STREET, 20<sup>TH</sup> FLOOR  
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:06 a.m. by Chair June Taylor. Commissioners McKinley Brown, Will Lucas, Lynn Slaby, and John Steinhauer were also in attendance. The minutes of the April 6, 2022, meeting was approved following a motion by Chair Taylor and seconded by Commissioner Slaby.

Executive Director Matthew Schuler began his report with Rick Anthony, Deputy Executive Director, providing a budget update. Mr. Anthony reported that the fiscal year is three quarters of the way through, and the Commission remains on strong financial footing. Casino revenue was reported to be very strong and continues to exceed estimates. Mr. Anthony indicated that the Commission has seen an influx of casino gaming employee fee revenue, due to the casinos striving to fill open positions while simultaneously experiencing a high turnover rate. Expenses came in above estimates again. Mr. Anthony explained that wages and benefits were slightly above estimates due the need to acquire employees to ensure staff is in place and trained before the sports betting launch deadline. Expenses were noted to be on track, with fingerprinting costs being a little higher than normal due to the increase in casino gaming employee applications being received. Enforcement Fund revenue and expenses were reported to be on track. Mr. Anthony concluded that with casino revenue consistently being above estimates, and casino employee fees being nearly double fiscal year estimates, the Commission's budget is in a great place for the year.

Next, Mr. Schuler provided an enforcement update. Mr. Schuler reported last Wednesday search warrants were executed on three separate illegal casinos: Escape Internet Café, Escape Internet Café 2, and 777 Jackpot Palace, in Toledo. A total of 235 game machines were removed or disabled and \$140,000 in cash was seized. Mr. Schuler expressed he was very proud of Commission Agents work on these investigations week in and week out, and the Commission's professional partnership with local law enforcement to shut these establishments down.

Mr. Schuler ended his report with introducing a newly added staff member, Chantel Avila, to the Commission's Compliance Division as the new Gaming Analyst Supervisor.

Monica Wilcoxon, Manager of Investigations, presented to the Commission for consideration the gaming-related vendor license application for Interblock USA L.C. (Interblock USA) and Interblock Luxury Gaming Products D.D. (Interblock Luxury), as well as key employee license applications for Jordon Kruse, IB OCM Voteco; David Quick, IB OCM Voteco; and Matthew Wilson, IB OCM Voteco. The Division of Licensing & Investigations completed suitability investigations of Interblock USA and Interblock Luxury, which did not uncover any material derogatory information. The Division recommended approval of

proposed Resolution 2022-12, granting the gaming-related vendor and key employee licenses. A motion to approve the Resolution was made by Commissioner Brown. The motion was seconded by Commissioner Steinhauer and approved.

Next, Ms. Wilcoxon presented to the Commission for consideration nine key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2022-13, granting or renewing, as applicable, key-employee licenses to: Nicola Drago, De Agostini S.p.A.; Timothy Kelley, Hollywood Casino Columbus; Frederick Baltz, JACK Cleveland Casino; Graeme Campbell, Ainsworth Game Technology Limited; John Dominelli, NRT Technology Corp.; Benjamin Humann, Hollywood Casino Toledo; Angela Matthews-Santos, JACK Casino Cleveland; Michael Rumbolz, Everi Holdings, Inc.; and Kneeland Youngblood, Scientific Games Corporation. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Lucas and approved.

Berena Seifert, Manager of Skill Games, presented for consideration 12 initial and 40 renewal skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2022-14, granting or renewing, as applicable, skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Lucas. The motion was seconded by Commissioner Slaby and approved.

Craig Donahue, Director of Regulatory Compliance, presented for consideration the approval of an amended casino-gaming-area designation for JACK Cleveland Casino (JACK), to adjust its designated gaming area. JACK requested to change the approved area to incorporate an additional portion of the first floor of the Higbee Building. This portion of the building is currently open to individuals under the age of twenty-one and is undergoing construction for the transition into a gaming floor. It was noted that the estimated completion date of the construction, and the ability for JACK to restrict access of the area to only those over the age of twenty-one, is likely to occur between Commission meetings. Therefore, JACK sought the Commission's approval of the expanded gaming floor, through a delegation to the Executive Director. The delegation will allow the Executive Director to approve the gaming floor expansion once all compliance, surveillance, and security measures are in place, including measures to ensure the area is no longer open to individuals under the age of twenty-one without an escort. Commissioner Brown made a motion to approve the delegation to the Executive Director for adjustment to HCT's existing casino-gaming-area designation. The motion was seconded by Commissioner Lucas and approved.

Andromeda Morrison, General Counsel & Director of Skill Games, presented to the Commission for consideration two settlement agreements:

A settlement between Central Ohio Gaming Ventures, LLC and the Commission. The agreement would settle a case that arose regarding Hollywood Casino Columbus's gaming-related system integrity violations. The settlement agreement includes admissions, conditions, remedial measures, and a \$125,000 fine. Chair Taylor made a motion to approve the agreement and authorize the Chair to sign it on behalf of the agency. The motion was seconded by Commissioner Steinhauer and approved.

A settlement between Hard Rock Casino Cincinnati, LLC (Hard Rock) and the Commission. The agreement would settle a case that arose regarding Hard Rock's casino revenue drop, count, tax filing, and payment violations. The settlement agreement includes admissions, conditions, remedial measures, and a \$50,000 fine. Commissioner Slaby made a motion to approve the agreement and authorize Chair Taylor to sign it on behalf of the agency. The motion was seconded by Commissioner Lucas and approved.

William Cox, Deputy General Counsel, reported that the first batch of rules were filed with the Joint Committee on Agency Review (JCARR) on March 22<sup>nd</sup>. Mr. Cox indicated that the second batch of rules were filed with the Common Sense Initiative Office (CSIO) and CSIO's comment period recently ended on March 30<sup>th</sup>. The Commission received one comment regarding the second batch of rules and staff will be addressing that comment. The third batch of rules were recently filed with CSIO after the last Commission meeting on April 6<sup>th</sup>. The fourth batch of rules is now ready to be initially approved and filed. The fifth batch of rules ended its second round of public comment on April 8<sup>th</sup> and are expected to be brought before the Commissioners for initial approval at the May 4<sup>th</sup> meeting. Mr. Cox indicated that as the sports gaming rules move into the formal rule filing process, the Commission will continue to provide updates despite that this part of the process anticipated to move more slowly. Draft applications were noted to hopefully be available for shareholder comment in the next couple of weeks.

Then, Mr. Cox presented for consideration the fourth batch of new administrative rules to regulate sports gaming for initial filing. Mr. Cox explained that the fourth batch of rules are related to supplier and employee licensure, house rules, and specific type A, B, and C proprietor duties. The rules use the procedural regulatory framework the Commission is accustomed to, combined with the substantive requirements of HB 29 and those that other jurisdictions have used to ensure the integrity of sports gaming. Next, Mr. Cox provided an overview of the administrative rules and requested approval to initially file the following new rules: Ohio Adm.Code 3775-4-08 and -09, 3775-10-01, 3775-17-01, 3775-18-01 — -05, and 3775-19-01. In so doing, Mr. Cox reminded the Commissioners that upon this approval, the rules and a Business Impact Analysis will be filed with the Common Sense Initiative Office (CSIO). After CSIO review and authorization, the rules will then be filed with the Joint Committee on Agency Rule Review (JCARR). After JCARR's jurisdiction ends, the rules will be brought before the Commissioners again at a public meeting for final-filing approval. A motion to approve the initial filing was made by Commissioner Brown. The motion was seconded by Commissioner Lucas and approved.

Catharine Abbott, Assistant General Counsel, presented to the Commission for consideration administrative rules for final filing. Ms. Abbott explained that the Commission previously approved the rules at its November 17, 2021, meeting. After receiving approval, the rules were filed with the Common

Sense Initiative Office and then with the Joint Committee on Agency Rule Review. After completing the rule-review process, the new, amended, or rescinded rules became eligible for final filing. Commissioner Steinhauer made a motion to adopt proposed Resolution 2022-16, approving the final filing of Ohio Adm.Code 3772-11-01 — -029, 3772-10-31 — -038, and 3772-14-01. The motion was seconded by Commissioner Slaby and approved.

Next Ms. Morrison presented to the Commission for consideration one casino gaming final order:

A final order regarding the denial of casino gaming employee license applications (case nos. #2022-LIC-004 & -005). Chair Taylor moved to deny the casino gaming employee license applications for the cases listed in the final order. The motion was seconded by Commissioner Lucas and approved.

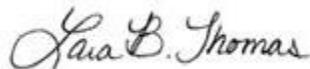
Next, Ms. Morrison presented for consideration one skill games final order:

A final order regarding the denial of skill-based amusement machine license applications (case nos. # 2021-SLIC-094 & 095 and 2022-SLIC-007, -008, -015, & -016). Chair Taylor moved to deny the skill-based amusement machine license applications for the cases listed in the final order. The motion was seconded by Commissioner Slaby and approved.

In other business, Ms. Morrison presented for consideration updates to the Commission's Code of Conduct for approval. Ms. Morrison reported that the Code of Conduct had been updated to reflect the further limitations on Commission members and staff because of sports gaming regulation. Chair Taylor moved to approve the requested updates to the Code of Conduct. The motion was seconded by Commissioner Slaby and approved.

There being no further business before the Commission, the meeting was adjourned.

Signed,



Lara B. Thomas

Commission Secretary

Approved: May 4, 2022